



CONGRESSIONAL BUDGET OFFICE
COST ESTIMATE

February 29, 2000

S. 1686
Chugach Alaska Natives Settlement Implementation Act of 1999

*As ordered reported by the Senate Committee on Energy and Natural Resources
on February 10, 2000*

CBO estimates that implementing S. 1686 would have no significant impact on discretionary spending. Because the bill could increase direct spending if its enactment results in an uncompensated taking of private property, pay-as-you-go procedures would apply.

Title I of the bill would require the Secretary of Agriculture to grant to the Chugach Alaska Corporation (CAC) an easement through the Chugach National Forest for the purpose of building a single-lane road and related facilities within the right-of-way. The title would require the easement to be granted within 90 days of the bill's enactment. According to the Forest Service, the agency expects to grant such an easement under current law as part of an existing settlement agreement with CAC. Although the bill could accelerate when the easement will be granted, we estimate that implementing this provision would have no significant impact on discretionary spending.

Title II would require the Secretary of the Interior to withdraw certain public and private lands from all forms of appropriation; usually, this means that federally owned land is set aside only for certain governmental purposes. The bill would require the Secretary to transfer ownership of any of the withdrawn lands following an application for conveyance from CAC. CBO assumes that for privately owned lands these provisions could lead to an uncompensated taking of private property, which could cause an increase in federal direct spending to compensate private land owners for the value of their property. We cannot predict, however, whether or not enacting this provision would lead to a taking; nor can we estimate the amount of compensation (if any) that might be due to private property owners.

Title III would direct the Forest Service to coordinate management planning for lands and resources in the National Forest System in Alaska with the plans of Alaska native corporations. Based on information from the Forest Service, we estimate that implementing this title would have no impact on federal spending because the agency already coordinates with interested parties under its current planning process.

S. 1686 may contain an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA), but the cost of this mandate would not exceed the threshold established by that act (\$55 million in 2000, adjusted annually for inflation). Federal government actions required by title II might result in a taking of property rights belonging to Alaska native village corporations. If so, this would be a mandate under UMRA. Should the courts determine that this bill creates an unconstitutional taking, however, these corporations would be entitled to compensation from the federal government. No other provisions in this bill would impose any costs on state, local, or tribal governments. S. 1686 contains no private-sector mandates as defined in UMRA.

On October 18, 1999, CBO prepared a cost estimate for H.R. 2547, the Chugach Alaska Natives Settlement Implementation Act of 1999, as ordered reported by the House Committee on Resources on September 22, 1999. That bill is similar to S. 1686 and the estimated cost is the same.

The CBO staff contacts for this estimate are Deborah Reis (for federal costs), and Marjorie Miller (for the state, local, and tribal impact). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.